(b) if so, whether it is a fact that RBI, SEBI and other agencies of Government create policies to see that Indian stock market reacts in the same way as foreign stock markets;

(c) if so, what is the purpose of this objective;

(d) what are the gains to the common man by this dependency on foreign stock markets; and

(e) the steps proposed to review this policy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (e) No, Sir. The movement in stock market indices is a function of many factors including investors' perceptions of the economy and corporate performance. In a liberalized environment, where domestic markets have a greater integration with global markets, Indian stock markets react to global factors in addition to domestic factors. Events like movements in global crude oil prices, metal prices, interest rate changes in major economies, currency movements, etc. affect domestic stock markets.

Increase in Education Cess

2330. SHRI UDAY PRATAP SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government have proposed to increase Education Cess; and

(b) if so, what is the total collection of education cess during the year, 2006-07 and the details of allocation of fund for various education schemes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Government has proposed in the Finance Bill, 2007 to levy an additonal "Secondary and Higher Education Cess" @1% on the aggregate duties of customs, and central excise along with service and income taxes to provide and finance secondary and higher education.

(b) The amount of Education Cess collected from April, 2006 to February, 2007 is Rs. 2,982 crores (provisional) (on direct taxes) and Rs. 3,851 crores (prov.) (on indirect taxes).

In the Union Budget 2006-07, a provision of Rs. 8,746 crores has been made for the initial transfer to the Prarambhik Shiksa Kosh (PSK) against estimated receipts of Education Cess. In 2006-07, in addition to General Budgetary allocations to Sarva Siksha Abhiyan (SSA) and to Mid-day Meal (MDM) Scheme, PSK's allocation to SSA and MDM is estimated to be Rs. 5,831 crores and Rs. 2,915 crores respectively.

Rise in Salary of Chairmen of Banks

†2331. SHRI UDAY PRATAP SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Indian Bank Association has sent a proposal to Government for raising salary of Chairmen of its member banks and also providing them share in bank dividends; and

(b) if so, the details of the proposal and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) After considering the proposal received from India Banks' Association for payment of performance linked incentives to whole time directors of Public Sector Banks it has been decided that they would be entitled to Performance Linked Incentives. For the evaluation of their performance, a performance evaluation matrix based on certain quantitiative and qualitative parameters has been laid down. This evaluaton would be done by a Sub-Committee of the Board of Directors called 'Remuneration Committee' consisting of (i) Government Nominee Director (ii) RBI nominee director and (iii) two other directors. The performance linked incentive will be admissible on the basis of scores obtained as under:

For scores out of 100 marks	Incentive per annum (Rs. in lakhs)	
	For CMD	For ED
100	8.0	6.5
81-99	7.0	5.5
61-80	6.0	4.0
60 and less	Nil	Nil

†Original notice of the question was received in Hindi.